
ENGROSSED SUBSTITUTE HOUSE BILL 2088

State of Washington

58th Legislature

2003 Regular Session

By House Committee on Agriculture & Natural Resources (originally sponsored by Representatives Schoesler, Chandler and Linville)

READ FIRST TIME 03/05/03.

1 AN ACT Relating to storm water rates and charges; and amending RCW
2 35.67.020, 35.92.020, 36.89.080, 36.94.140, 57.08.005, 57.08.081,
3 84.33.210, and 86.15.160.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 35.67.020 and 1997 c 447 s 8 are each amended to read
6 as follows:

7 (1) Every city and town may construct, condemn and purchase,
8 acquire, add to, maintain, conduct, and operate systems of sewerage and
9 systems and plants for refuse collection and disposal together with
10 additions, extensions, and betterments thereto, within and without its
11 limits(~~(, with)~~). Every city and town has full jurisdiction and
12 authority to manage, regulate, and control them and, except as provided
13 in subsection (3) of this section, to fix, alter, regulate, and control
14 the rates and charges for their use.

15 (2) Subject to subsection (3) of this section, the rates charged
16 under this section must be uniform for the same class of customers or
17 service and facilities furnished. In classifying customers served or

1 service and facilities furnished by such system of sewerage, the city
2 or town legislative body may in its discretion consider any or all of
3 the following factors:

4 ~~((1))~~ (a) The difference in cost of service and facilities to the
5 various customers;

6 ~~((2))~~ (b) The location of the various customers within and
7 without the city or town;

8 ~~((3))~~ (c) The difference in cost of maintenance, operation,
9 repair, and replacement of the various parts of the system;

10 ~~((4))~~ (d) The different character of the service and facilities
11 furnished various customers;

12 ~~((5))~~ (e) The quantity and quality of the sewage delivered and
13 the time of its delivery;

14 ~~((6))~~ (f) The achievement of water conservation goals and the
15 discouragement of wasteful water use practices;

16 ~~((7))~~ (g) Capital contributions made to the system, including but
17 not limited to, assessments;

18 ~~((8))~~ (h) The nonprofit public benefit status, as defined in RCW
19 24.03.490, of the land user; and

20 ~~((9))~~ (i) Any other matters which present a reasonable difference
21 as a ground for distinction.

22 (3) The rate a city or town may charge under this section for storm
23 or surface water sewer systems or combined sanitary sewage and storm or
24 surface water sewer systems shall be reduced by a minimum of ten
25 percent for any new or remodeled commercial building that utilizes the
26 permissive rainwater harvesting system guidelines for nonresidential
27 occupancies adopted by the Washington state building code council on
28 July 12, 2002.

29 (4) Rates or charges for on-site inspection and maintenance
30 services may not be imposed under this chapter on the development,
31 construction, or reconstruction of property.

32 (5) A city or town may provide assistance to aid low-income persons
33 in connection with services provided under this chapter.

34 (6) Under this chapter, after July 1, 1998, any requirements for
35 pumping the septic tank of an on-site sewage system should be based,
36 among other things, on actual measurement of accumulation of sludge and
37 scum by a trained inspector, trained owner's agent, or trained owner.

1 Training must occur in a program approved by the state board of health
2 or by a local health officer.

3 (7) Before adopting on-site inspection and maintenance utility
4 services, or incorporating residences into an on-site inspection and
5 maintenance or sewer utility under this chapter, notification must be
6 provided, prior to the applicable public hearing, to all residences
7 within the proposed service area that have on-site systems permitted by
8 the local health officer. The notice must clearly state that the
9 residence is within the proposed service area and must provide
10 information on estimated rates or charges that may be imposed for the
11 service.

12 (8) A city or town shall not provide on-site sewage system
13 inspection, pumping services, or other maintenance or repair services
14 under this section using city or town employees unless the on-site
15 system is connected by a publicly owned collection system to the city
16 or town's sewerage system, and the on-site system represents the first
17 step in the sewage disposal process. Nothing in this section shall
18 affect the authority of state or local health officers to carry out
19 their responsibilities under any other applicable law.

20 **Sec. 2.** RCW 35.92.020 and 1997 c 447 s 9 are each amended to read
21 as follows:

22 (1) A city or town may construct, condemn and purchase, purchase,
23 acquire, add to, alter, maintain, and operate systems, plants, sites,
24 or other facilities of sewerage as defined in RCW 35.67.010, or solid
25 waste handling as defined by RCW 70.95.030(~~(, and)~~). A city or town
26 shall have full authority to manage, regulate, operate, control, and,
27 except as provided in subsection (3) of this section, to fix the price
28 of service and facilities of those systems, plants, sites, or other
29 facilities within and without the limits of the city or town.

30 (2) Subject to subsection (3) of this section, the rates charged
31 shall be uniform for the same class of customers or service and
32 facilities. In classifying customers served or service and facilities
33 furnished by a system or systems of sewerage, the legislative authority
34 of the city or town may in its discretion consider any or all of the
35 following factors:

36 ~~((1))~~ (a) The difference in cost of service and facilities to
37 customers;

1 ~~((+2))~~ (b) The location of customers within and without the city
2 or town;

3 ~~((+3))~~ (c) The difference in cost of maintenance, operation,
4 repair, and replacement of the parts of the system;

5 ~~((+4))~~ (d) The different character of the service and facilities
6 furnished to customers;

7 ~~((+5))~~ (e) The quantity and quality of the sewage delivered and
8 the time of its delivery;

9 ~~((+6))~~ (f) Capital contributions made to the systems, plants,
10 sites, or other facilities, including but not limited to, assessments;

11 ~~((+7))~~ (g) The nonprofit public benefit status, as defined in RCW
12 24.03.490, of the land user; and

13 ~~((+8))~~ (h) Any other factors that present a reasonable difference
14 as a ground for distinction.

15 (3) The rate a city or town may charge under this section for storm
16 or surface water sewer systems or combined sanitary sewage and storm or
17 surface water sewer systems shall be reduced by a minimum of ten
18 percent for any new or remodeled commercial building that utilizes the
19 permissive rainwater harvesting system guidelines for nonresidential
20 occupancies adopted by the Washington state building code council on
21 July 12, 2002.

22 (4) Rates or charges for on-site inspection and maintenance
23 services may not be imposed under this chapter on the development,
24 construction, or reconstruction of property.

25 (5) A city or town may provide assistance to aid low-income persons
26 in connection with services provided under this chapter.

27 (6) Under this chapter, after July 1, 1998, any requirements for
28 pumping the septic tank of an on-site sewage system should be based,
29 among other things, on actual measurement of accumulation of sludge and
30 scum by a trained inspector, trained owner's agent, or trained owner.
31 Training must occur in a program approved by the state board of health
32 or by a local health officer.

33 (7) Before adopting on-site inspection and maintenance utility
34 services, or incorporating residences into an on-site inspection and
35 maintenance or sewer utility under this chapter, notification must be
36 provided, prior to the applicable public hearing, to all residences
37 within the proposed service area that have on-site systems permitted by
38 the local health officer. The notice must clearly state that the

1 residence is within the proposed service area and must provide
2 information on estimated rates or charges that may be imposed for the
3 service.

4 (8) A city or town shall not provide on-site sewage system
5 inspection, pumping services, or other maintenance or repair services
6 under this section using city or town employees unless the on-site
7 system is connected by a publicly owned collection system to the city
8 or town's sewerage system, and the on-site system represents the first
9 step in the sewage disposal process. Nothing in this section shall
10 affect the authority of state or local health officers to carry out
11 their responsibilities under any other applicable law.

12 **Sec. 3.** RCW 36.89.080 and 1998 c 74 s 1 are each amended to read
13 as follows:

14 (1) Subject to subsections (2) and (3) of this section, any county
15 legislative authority may provide by resolution for revenues by fixing
16 rates and charges for the furnishing of service to those served or
17 receiving benefits or to be served or to receive benefits from any
18 storm water control facility or contributing to an increase of surface
19 water runoff. In fixing rates and charges, the county legislative
20 authority may in its discretion consider:

- 21 ~~((1))~~ (a) Services furnished or to be furnished;
- 22 ~~((2))~~ (b) Benefits received or to be received;
- 23 ~~((3))~~ (c) The character and use of land or its water runoff
24 characteristics;
- 25 ~~((4))~~ (d) The nonprofit public benefit status, as defined in RCW
26 24.03.490, of the land user;
- 27 ~~((5))~~ (e) Income level of persons served or provided benefits
28 under this chapter, including senior citizens and disabled persons; or
- 29 ~~((6))~~ (f) Any other matters which present a reasonable difference
30 as a ground for distinction.

31 (2) The rate a county may charge under this section for storm water
32 control facilities shall be reduced by a minimum of ten percent for any
33 new or remodeled commercial building that utilizes the permissive
34 rainwater harvesting system guidelines for nonresidential occupancies
35 adopted by the Washington state building code council on July 12, 2002.

36 (3) Rates and charges authorized under this section may not be

1 imposed on lands taxed as forest land under chapter 84.33 RCW or as
2 timber land under chapter 84.34 RCW.

3 (4) The service charges and rates collected shall be deposited in
4 a special fund or funds in the county treasury to be used only for the
5 purpose of paying all or any part of the cost and expense of
6 maintaining and operating storm water control facilities, all or any
7 part of the cost and expense of planning, designing, establishing,
8 acquiring, developing, constructing and improving any of such
9 facilities, or to pay or secure the payment of all or any portion of
10 any issue of general obligation or revenue bonds issued for such
11 purpose.

12 **Sec. 4.** RCW 36.94.140 and 1997 c 447 s 12 are each amended to read
13 as follows:

14 (1) Every county, in the operation of a system of sewerage and/or
15 water, shall have full jurisdiction and authority to manage, regulate,
16 and control it (~~and~~). Except as provided in subsection (3) of this
17 section, every county shall have full jurisdiction and authority to
18 fix, alter, regulate, and control the rates and charges for the service
19 and facilities to those to whom such service and facilities are
20 available, and to levy charges for connection to the system.

21 (2) The rates for availability of service and facilities, and
22 connection charges so charged must be uniform for the same class of
23 customers or service and facility. In classifying customers served,
24 service furnished or made available by such system of sewerage and/or
25 water, or the connection charges, the county legislative authority may
26 consider any or all of the following factors:

27 (~~(1)~~) (a) The difference in cost of service to the various
28 customers within or without the area;

29 (~~(2)~~) (b) The difference in cost of maintenance, operation,
30 repair and replacement of the various parts of the systems;

31 (~~(3)~~) (c) The different character of the service and facilities
32 furnished various customers;

33 (~~(4)~~) (d) The quantity and quality of the sewage and/or water
34 delivered and the time of its delivery;

35 (~~(5)~~) (e) Capital contributions made to the system or systems,
36 including, but not limited to, assessments;

1 ~~((6))~~ (f) The cost of acquiring the system or portions of the
2 system in making system improvements necessary for the public health
3 and safety;

4 ~~((7))~~ (g) The nonprofit public benefit status, as defined in RCW
5 24.03.490, of the land user; and

6 ~~((8))~~ (h) Any other matters which present a reasonable difference
7 as a ground for distinction.

8 (3) The rate a county may charge under this section for storm or
9 surface water sewer systems or combined sanitary sewage and storm or
10 surface water sewer systems shall be reduced by a minimum of ten
11 percent for any new or remodeled commercial building that utilizes the
12 permissive rainwater harvesting system guidelines for nonresidential
13 occupancies adopted by the Washington state building code council on
14 July 12, 2002.

15 (4) A county may provide assistance to aid low-income persons in
16 connection with services provided under this chapter.

17 (5) The service charges and rates shall produce revenues sufficient
18 to take care of the costs of maintenance and operation, revenue bond
19 and warrant interest and principal amortization requirements, and all
20 other charges necessary for the efficient and proper operation of the
21 system.

22 **Sec. 5.** RCW 57.08.005 and 1999 c 153 s 2 are each amended to read
23 as follows:

24 A district shall have the following powers:

25 (1) To acquire by purchase or condemnation, or both, all lands,
26 property and property rights, and all water and water rights, both
27 within and without the district, necessary for its purposes. The right
28 of eminent domain shall be exercised in the same manner and by the same
29 procedure as provided for cities and towns, insofar as consistent with
30 this title, except that all assessment or reassessment rolls to be
31 prepared and filed by eminent domain commissioners or commissioners
32 appointed by the court shall be prepared and filed by the district, and
33 the duties devolving upon the city treasurer are imposed upon the
34 county treasurer;

35 (2) To lease real or personal property necessary for its purposes
36 for a term of years for which that leased property may reasonably be
37 needed;

1 (3) To construct, condemn and purchase, add to, maintain, and
2 supply waterworks to furnish the district and inhabitants thereof and
3 any other persons, both within and without the district, with an ample
4 supply of water for all uses and purposes public and private with full
5 authority to regulate and control the use, content, distribution, and
6 price thereof in such a manner as is not in conflict with general law
7 and may construct, acquire, or own buildings and other necessary
8 district facilities. Where a customer connected to the district's
9 system uses the water on an intermittent or transient basis, a district
10 may charge for providing water service to such a customer, regardless
11 of the amount of water, if any, used by the customer. District
12 waterworks may include facilities which result in combined water supply
13 and electric generation, if the electricity generated thereby is a
14 byproduct of the water supply system. That electricity may be used by
15 the district or sold to any entity authorized by law to use or
16 distribute electricity. Electricity is deemed a byproduct when the
17 electrical generation is subordinate to the primary purpose of water
18 supply. For such purposes, a district may take, condemn and purchase,
19 acquire, and retain water from any public or navigable lake, river or
20 watercourse, or any underflowing water, and by means of aqueducts or
21 pipeline conduct the same throughout the district and any city or town
22 therein and carry it along and upon public highways, roads, and
23 streets, within and without such district. For the purpose of
24 constructing or laying aqueducts or pipelines, dams, or waterworks or
25 other necessary structures in storing and retaining water or for any
26 other lawful purpose such district may occupy the beds and shores up to
27 the high water mark of any such lake, river, or other watercourse, and
28 may acquire by purchase or condemnation such property or property
29 rights or privileges as may be necessary to protect its water supply
30 from pollution. For the purposes of waterworks which include
31 facilities for the generation of electricity as a byproduct, nothing in
32 this section may be construed to authorize a district to condemn
33 electric generating, transmission, or distribution rights or facilities
34 of entities authorized by law to distribute electricity, or to acquire
35 such rights or facilities without the consent of the owner;

36 (4) To purchase and take water from any municipal corporation,
37 private person, or entity. A district contiguous to Canada may
38 contract with a Canadian corporation for the purchase of water and for

1 the construction, purchase, maintenance, and supply of waterworks to
2 furnish the district and inhabitants thereof and residents of Canada
3 with an ample supply of water under the terms approved by the board of
4 commissioners;

5 (5) To construct, condemn and purchase, add to, maintain, and
6 operate systems of sewers for the purpose of furnishing the district,
7 the inhabitants thereof, and persons outside the district with an
8 adequate system of sewers for all uses and purposes, public and
9 private, including but not limited to on-site sewage disposal
10 facilities, approved septic tanks or approved septic tank systems, on-
11 site sanitary sewerage systems, inspection services and maintenance
12 services for private and public on-site systems, point and nonpoint
13 water pollution monitoring programs that are directly related to the
14 sewerage facilities and programs operated by a district, other
15 facilities, programs, and systems for the collection, interception,
16 treatment, and disposal of wastewater, and for the control of pollution
17 from wastewater with full authority to regulate the use and operation
18 thereof and the service rates to be charged. Under this chapter, after
19 July 1, 1998, any requirements for pumping the septic tank of an on-
20 site sewage system should be based, among other things, on actual
21 measurement of accumulation of sludge and scum by a trained inspector,
22 trained owner's agent, or trained owner. Training must occur in a
23 program approved by the state board of health or by a local health
24 officer. Sewage facilities may include facilities which result in
25 combined sewage disposal or treatment and electric generation, except
26 that the electricity generated thereby is a byproduct of the system of
27 sewers. Such electricity may be used by the district or sold to any
28 entity authorized by law to distribute electricity. Electricity is
29 deemed a byproduct when the electrical generation is subordinate to the
30 primary purpose of sewage disposal or treatment. For such purposes a
31 district may conduct sewage throughout the district and throughout
32 other political subdivisions within the district, and construct and lay
33 sewer pipe along and upon public highways, roads, and streets, within
34 and without the district, and condemn and purchase or acquire land and
35 rights of way necessary for such sewer pipe. A district may erect
36 sewage treatment plants within or without the district, and may
37 acquire, by purchase or condemnation, properties or privileges
38 necessary to be had to protect any lakes, rivers, or watercourses and

1 also other areas of land from pollution from its sewers or its sewage
2 treatment plant. For the purposes of sewage facilities which include
3 facilities that result in combined sewage disposal or treatment and
4 electric generation where the electric generation is a byproduct,
5 nothing in this section may be construed to authorize a district to
6 condemn electric generating, transmission, or distribution rights or
7 facilities of entities authorized by law to distribute electricity, or
8 to acquire such rights or facilities without the consent of the owners;

9 (6)(a) To construct, condemn and purchase, add to, maintain, and
10 operate systems of drainage for the benefit and use of the district,
11 the inhabitants thereof, and persons outside the district with an
12 adequate system of drainage, including but not limited to facilities
13 and systems for the collection, interception, treatment, and disposal
14 of storm or surface waters, and for the protection, preservation, and
15 rehabilitation of surface and underground waters, and drainage
16 facilities for public highways, streets, and roads, with full authority
17 to regulate the use and operation thereof and, except as provided in
18 (b) of this subsection, the service rates to be charged.

19 (b) The rate a district may charge under this section for storm or
20 surface water sewer systems or combined sanitary sewage and storm or
21 surface water sewer systems shall be reduced by a minimum of ten
22 percent for any new or remodeled commercial building that utilizes the
23 permissive rainwater harvesting system guidelines for nonresidential
24 occupancies adopted by the Washington state building code council on
25 July 12, 2002.

26 (c) Drainage facilities may include natural systems. Drainage
27 facilities may include facilities which result in combined drainage
28 facilities and electric generation, except that the electricity
29 generated thereby is a byproduct of the drainage system. Such
30 electricity may be used by the district or sold to any entity
31 authorized by law to distribute electricity. Electricity is deemed a
32 byproduct when the electrical generation is subordinate to the primary
33 purpose of drainage collection, disposal, and treatment. For such
34 purposes, a district may conduct storm or surface water throughout the
35 district and throughout other political subdivisions within the
36 district, construct and lay drainage pipe and culverts along and upon
37 public highways, roads, and streets, within and without the district,
38 and condemn and purchase or acquire land and rights of way necessary

1 for such drainage systems. A district may provide or erect facilities
2 and improvements for the treatment and disposal of storm or surface
3 water within or without the district, and may acquire, by purchase or
4 condemnation, properties or privileges necessary to be had to protect
5 any lakes, rivers, or watercourses and also other areas of land from
6 pollution from storm or surface waters. For the purposes of drainage
7 facilities which include facilities that also generate electricity as
8 a byproduct, nothing in this section may be construed to authorize a
9 district to condemn electric generating, transmission, or distribution
10 rights or facilities of entities authorized by law to distribute
11 electricity, or to acquire such rights or facilities without the
12 consent of the owners;

13 (7) To construct, condemn, acquire, and own buildings and other
14 necessary district facilities;

15 (8) To compel all property owners within the district located
16 within an area served by the district's system of sewers to connect
17 their private drain and sewer systems with the district's system under
18 such penalty as the commissioners shall prescribe by resolution. The
19 district may for such purpose enter upon private property and connect
20 the private drains or sewers with the district system and the cost
21 thereof shall be charged against the property owner and shall be a lien
22 upon property served;

23 (9) Where a district contains within its borders, abuts, or is
24 located adjacent to any lake, stream, ground water as defined by RCW
25 90.44.035, or other waterway within the state of Washington, to provide
26 for the reduction, minimization, or elimination of pollutants from
27 those waters in accordance with the district's comprehensive plan, and
28 to issue general obligation bonds, revenue bonds, local improvement
29 district bonds, or utility local improvement bonds for the purpose of
30 paying all or any part of the cost of reducing, minimizing, or
31 eliminating the pollutants from these waters;

32 (10) Subject to subsection (6) of this section, to fix rates and
33 charges for water, sewer, and drain service supplied and to charge
34 property owners seeking to connect to the district's systems, as a
35 condition to granting the right to so connect, in addition to the cost
36 of the connection, such reasonable connection charge as the board of
37 commissioners shall determine to be proper in order that those property
38 owners shall bear their equitable share of the cost of the system. For

1 the purposes of calculating a connection charge, the board of
2 commissioners shall determine the pro rata share of the cost of
3 existing facilities and facilities planned for construction within the
4 next ten years and contained in an adopted comprehensive plan and other
5 costs borne by the district which are directly attributable to the
6 improvements required by property owners seeking to connect to the
7 system. The cost of existing facilities shall not include those
8 portions of the system which have been donated or which have been paid
9 for by grants. The connection charge may include interest charges
10 applied from the date of construction of the system until the
11 connection, or for a period not to exceed ten years, whichever is
12 shorter, at a rate commensurate with the rate of interest applicable to
13 the district at the time of construction or major rehabilitation of the
14 system, or at the time of installation of the lines to which the
15 property owner is seeking to connect. A district may permit payment of
16 the cost of connection and the reasonable connection charge to be paid
17 with interest in installments over a period not exceeding fifteen
18 years. The county treasurer may charge and collect a fee of three
19 dollars for each year for the treasurer's services. Those fees shall
20 be a charge to be included as part of each annual installment, and
21 shall be credited to the county current expense fund by the county
22 treasurer. Revenues from connection charges excluding permit fees are
23 to be considered payments in aid of construction as defined by
24 department of revenue rule. Rates or charges for on-site inspection
25 and maintenance services may not be imposed under this chapter on the
26 development, construction, or reconstruction of property.

27 Before adopting on-site inspection and maintenance utility
28 services, or incorporating residences into an on-site inspection and
29 maintenance or sewer utility under this chapter, notification must be
30 provided, prior to the applicable public hearing, to all residences
31 within the proposed service area that have on-site systems permitted by
32 the local health officer. The notice must clearly state that the
33 residence is within the proposed service area and must provide
34 information on estimated rates or charges that may be imposed for the
35 service.

36 A water-sewer district shall not provide on-site sewage system
37 inspection, pumping services, or other maintenance or repair services
38 under this section using water-sewer district employees unless the on-

1 site system is connected by a publicly owned collection system to the
2 water-sewer district's sewerage system, and the on-site system
3 represents the first step in the sewage disposal process.

4 Except as otherwise provided in RCW 90.03.525, any public entity
5 and public property, including the state of Washington and state
6 property, shall be subject to rates and charges for sewer, water, storm
7 water control, drainage, and street lighting facilities to the same
8 extent private persons and private property are subject to those rates
9 and charges that are imposed by districts. In setting those rates and
10 charges, consideration may be made of in-kind services, such as stream
11 improvements or donation of property;

12 (11) To contract with individuals, associations and corporations,
13 the state of Washington, and the United States;

14 (12) To employ such persons as are needed to carry out the
15 district's purposes and fix salaries and any bond requirements for
16 those employees;

17 (13) To contract for the provision of engineering, legal, and other
18 professional services as in the board of commissioner's discretion is
19 necessary in carrying out their duties;

20 (14) To sue and be sued;

21 (15) To loan and borrow funds and to issue bonds and instruments
22 evidencing indebtedness under chapter 57.20 RCW and other applicable
23 laws;

24 (16) To transfer funds, real or personal property, property
25 interests, or services subject to RCW 57.08.015;

26 (17) To levy taxes in accordance with this chapter and chapters
27 57.04 and 57.20 RCW;

28 (18) To provide for making local improvements and to levy and
29 collect special assessments on property benefitted thereby, and for
30 paying for the same or any portion thereof in accordance with chapter
31 57.16 RCW;

32 (19) To establish street lighting systems under RCW 57.08.060;

33 (20) To exercise such other powers as are granted to water-sewer
34 districts by this title or other applicable laws; and

35 (21) To exercise any of the powers granted to cities and counties
36 with respect to the acquisition, construction, maintenance, operation
37 of, and fixing rates and charges for waterworks and systems of sewerage
38 and drainage.

1 **Sec. 6.** RCW 57.08.081 and 1999 c 153 s 11 are each amended to read
2 as follows:

3 (1) Subject to RCW 57.08.005(6), the commissioners of any district
4 shall provide for revenues by fixing rates and charges for furnishing
5 sewer and drainage service and facilities to those to whom service is
6 available or for providing water, such rates and charges to be fixed as
7 deemed necessary by the commissioners, so that uniform charges will be
8 made for the same class of customer or service and facility. Rates and
9 charges may be combined for the furnishing of more than one type of
10 sewer or drainage service and facilities.

11 (2) In classifying customers of such water, sewer, or drainage
12 system, the board of commissioners may in its discretion consider any
13 or all of the following factors: The difference in cost to various
14 customers; the location of the various customers within and without the
15 district; the difference in cost of maintenance, operation, repair, and
16 replacement of the various parts of the system; the different character
17 of the service furnished various customers; the quantity and quality of
18 the service and facility furnished; the time of its use; the
19 achievement of water conservation goals and the discouragement of
20 wasteful practices; capital contributions made to the system including
21 but not limited to assessments; and any other matters which present a
22 reasonable difference as a ground for distinction. Rates shall be
23 established as deemed proper by the commissioners and as fixed by
24 resolution and shall produce revenues sufficient to take care of the
25 costs of maintenance and operation, revenue bond and warrant interest
26 and principal amortization requirements, and all other charges
27 necessary for efficient and proper operation of the system. Prior to
28 furnishing services, a district may require a deposit to guarantee
29 payment for services. However, failure to require a deposit does not
30 affect the validity of any lien authorized by this section.

31 (3) The commissioners shall enforce collection of connection
32 charges, and rates and charges for water supplied against property
33 owners connecting with the system or receiving such water, and for
34 sewer and drainage services charged against property to which and its
35 owners to whom the service is available, such charges being deemed
36 charges against the property served, by addition of penalties of not
37 more than ten percent thereof in case of failure to pay the charges at
38 times fixed by resolution. The commissioners may provide by resolution

1 that where either connection charges or rates and charges for services
2 supplied are delinquent for any specified period of time, the district
3 shall certify the delinquencies to the auditor of the county in which
4 the real property is located, and the charges and any penalties added
5 thereto and interest thereon at the rate of not more than the prime
6 lending rate of the district's bank plus four percentage points per
7 year shall be a lien against the property upon which the service was
8 received, subject only to the lien for general taxes.

9 (4) The district may, at any time after the connection charges or
10 rates and charges for services supplied or available and penalties are
11 delinquent for a period of sixty days, bring suit in foreclosure by
12 civil action in the superior court of the county in which the real
13 property is located. The court may allow, in addition to the costs and
14 disbursements provided by statute, attorneys' fees, title search and
15 report costs, and expenses as it adjudges reasonable. The action shall
16 be in rem, and may be brought in the name of the district against an
17 individual or against all of those who are delinquent in one action.
18 The laws and rules of the court shall control as in other civil
19 actions.

20 (5) In addition to the right to foreclose provided in this section,
21 the district may also cut off all or part of the service after charges
22 for water or sewer service supplied or available are delinquent for a
23 period of thirty days.

24 (6) A district may determine how to apply partial payments on past
25 due accounts.

26 (7) A district may provide a real property owner or the owner's
27 designee with duplicate bills for service to tenants, or may notify an
28 owner or the owner's designee that a tenant's service account is
29 delinquent. However, if an owner or the owner's designee notifies the
30 district in writing that a property served by the district is a rental
31 property, asks to be notified of a tenant's delinquency, and has
32 provided, in writing, a complete and accurate mailing address, the
33 district shall notify the owner or the owner's designee of a tenant's
34 delinquency at the same time and in the same manner the district
35 notifies the tenant of the tenant's delinquency or by mail. When a
36 district provides a real property owner or the owner's designee with
37 duplicates of tenant utility service bills or notice that a tenant's
38 utility account is delinquent, the district shall notify the tenant

1 that it is providing the duplicate bills or delinquency notice to the
2 owner or the owner's designee. After January 1, 1999, if a district
3 fails to notify the owner of a tenant's delinquency after receiving a
4 written request to do so and after receiving the other information
5 required by this subsection (7), the district shall have no lien
6 against the premises for the tenant's delinquent and unpaid charges.

7 **Sec. 7.** RCW 84.33.210 and 2001 c 249 s 6 are each amended to read
8 as follows:

9 (1) Any land that is designated as forest land under this chapter
10 at the earlier of the times the legislative authority of a local
11 government adopts a resolution, ordinance, or legislative act (a) to
12 create a local improvement district, in which the land is included or
13 would have been included but for the designation, or (b) to approve or
14 confirm a final special benefit assessment roll relating to a sanitary
15 or storm sewerage system, domestic water supply or distribution system,
16 or road construction or improvement, which roll would have included the
17 land but for the designation, shall be exempt from special benefit
18 assessments ~~((or))~~, charges in lieu of assessment, or rates and charges
19 for storm water control facilities under RCW 36.89.080 for such
20 purposes as long as that land remains designated as forest land, except
21 as otherwise provided in RCW 84.33.250.

22 (2) Whenever a local government creates a local improvement
23 district, the levying, collection, and enforcement of assessments shall
24 be in the manner and subject to the same procedures and limitations as
25 are provided under the law concerning the initiation and formation of
26 local improvement districts for the particular local government.
27 Notice of the creation of a local improvement district that includes
28 designated forest land shall be filed with the assessor and the
29 legislative authority of the county in which the land is located. The
30 assessor, upon receiving notice of the creation of a local improvement
31 district, shall send a notice to the owners of the designated forest
32 lands listed on the tax rolls of the applicable treasurer of:

- 33 (a) The creation of the local improvement district;
34 (b) The exemption of that land from special benefit assessments;
35 (c) The fact that the designated forest land may become subject to
36 the special benefit assessments if the owner waives the exemption by

1 filing a notarized document with the governing body of the local
2 government creating the local improvement district before the
3 confirmation of the final special benefit assessment roll; and

4 (d) The potential liability, pursuant to RCW 84.33.220, if the
5 exemption is not waived and the land is subsequently removed from
6 designated forest land status.

7 (3) When a local government approves and confirms a special benefit
8 assessment roll, from which designated forest land has been exempted
9 under this section, it shall file a notice of this action with the
10 assessor and the legislative authority of the county in which the land
11 is located and with the treasurer of that local government. The notice
12 shall describe the action taken, the type of improvement involved, the
13 land exempted, and the amount of the special benefit assessment that
14 would have been levied against the land if it had not been exempted.
15 The filing of the notice with the assessor and the treasurer of that
16 local government shall constitute constructive notice to a purchaser or
17 encumbrancer of the affected land, and every person whose conveyance or
18 encumbrance is subsequently executed or subsequently recorded, that the
19 exempt land is subject to the charges provided in RCW 84.33.220 and
20 84.33.230, if the land is removed from its designation as forest land.

21 (4) The owner of the land exempted from special benefit assessments
22 under this section may waive that exemption by filing a notarized
23 document to that effect with the legislative authority of the local
24 government upon receiving notice from said local government concerning
25 the assessment roll hearing and before the local government confirms
26 the final special benefit assessment roll. A copy of that waiver shall
27 be filed by the local government with the assessor, but the failure to
28 file this copy shall not affect the waiver.

29 (5) Except to the extent provided in RCW 84.33.250, the local
30 government shall have no duty to furnish service from the improvement
31 financed by the special benefit assessment to the exempted land.

32 **Sec. 8.** RCW 86.15.160 and 1986 c 278 s 60 are each amended to read
33 as follows:

34 For the purposes of this chapter the supervisors may authorize:

35 (1) An annual excess ad valorem tax levy within any zone or
36 participating zones when authorized by the voters of the zone or
37 participating zones under RCW 84.52.052 and 84.52.054;

1 (2) An assessment upon property, including state property,
2 specially benefited by flood control improvements or storm water
3 control improvements imposed under chapter 86.09 RCW;

4 (3) Within any zone or participating zones an annual ad valorem
5 property tax levy of not to exceed fifty cents per thousand dollars of
6 assessed value when the levy will not take dollar rates that other
7 taxing districts may lawfully claim and that will not cause the
8 combined levies to exceed the constitutional and/or statutory
9 limitations, and the additional levy, or any portion thereof, may also
10 be made when dollar rates of other taxing units is released therefor by
11 agreement with the other taxing units from their authorized levies;

12 (4) A charge, under RCW 36.89.080, for the furnishing of service to
13 those who are receiving or will receive benefits from storm water
14 control facilities and who are contributing to an increase in surface
15 water runoff. The rate or charge imposed under this section shall be
16 reduced by a minimum of ten percent for any new or remodeled commercial
17 building that utilizes the permissive rainwater harvesting system
18 guidelines for nonresidential occupancies adopted by the Washington
19 state building code council on July 12, 2002;

20 (5) Except as otherwise provided in RCW 90.03.525, any public
21 entity and public property, including the state and state property,
22 shall be liable for the charges to the same extent a private person and
23 privately owned property is liable for the charges, and in setting
24 these rates and charges, consideration may be made of in-kind services,
25 such as stream improvements or donation of property;

26 ((+5)) (6) The creation of local improvement districts and utility
27 local improvement districts, the issuance of improvement district bonds
28 and warrants, and the imposition, collection, and enforcement of
29 special assessments on all property, including any state-owned or other
30 publicly-owned property, specially benefited from improvements in the
31 same manner as provided for counties by chapter 36.94 RCW.

--- END ---